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(Original Signature of Member)

108TH CONGRESS
1ST SESSION

H. R. _____

IN THE HOUSE OF REPRESENTATIVES

Mr. CALVERT introduced the following bill; which was referred to the
Committee on _____

A BILL

To authorize the Secretary of the Interior to implement
water supply technology and infrastructure programs
aimed at increasing and diversifying domestic water re-
sources.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Water Supply, Reli-
5 ability, and Environmental Improvement Act”.



1 **SEC. 2. TABLE OF CONTENTS.**

2 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Definitions.
- Sec. 4. Purposes.

TITLE I—DEPARTMENT OF INTERIOR, COMPETITIVE GRANT
PROGRAM

- Sec. 101. General authority.
- Sec. 102. Authority to study, plan, design, and construct.
- Sec. 103. Criteria for grants.
- Sec. 104. Annual report.
- Sec. 105. Authorization of appropriations.
- Sec. 106. Limitation on eligibility for funding.

TITLE II—CALIFORNIA WATER SECURITY AND ENVIRONMENTAL
ENHANCEMENT ACT

- Sec. 201. CALFED Bay-Delta Program.
- Sec. 202. Management.
- Sec. 203. Implementation schedule report.
- Sec. 204. Authorization of appropriations.
- Sec. 205. Federal share of costs.
- Sec. 206. Use of existing authorities and funds.
- Sec. 207. Compliance with State and Federal law.

TITLE III—SALTON SEA

- Sec. 301. Funding to address Salton Sea.

TITLE IV—ESTABLISHMENT OF CENTRALIZED REGULATORY
OFFICE

- Sec. 401. Establishment of office.
- Sec. 402. Acceptance and expenditure of contributions.

TITLE V—RURAL WATER SUPPLY PROGRAM

- Sec. 501. Rural water supply program.

3 **SEC. 3. DEFINITIONS.**

4 For purposes of this Act:

- 5 (1) BAY-DELTA SOLUTION AREA.—The term
- 6 “Bay-Delta solution area” means the Bay-Delta wa-
- 7 tershed and the San Francisco Bay/Sacramento-San



1 Joaquin Delta Estuary, California, and the areas in
2 which diverted/exported water is used.

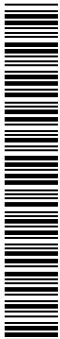
3 (2) BAY-DELTA WATERSHED.—The term “Bay-
4 Delta watershed” means the Sacramento River-San
5 Joaquin River Delta, and the rivers and watersheds
6 that are tributary to that delta.

7 (3) CALFED BAY-DELTA PROGRAM.—The term
8 “CALFED Bay-Delta Program” means the pro-
9 grams, projects, complementary actions, and activi-
10 ties undertaken through coordinated planning, im-
11 plementation, and assessment activities of the State
12 and Federal agencies in a manner consistent with
13 the Objectives and Solution Principles of the
14 CALFED Bay-Delta Program as stated in the
15 Record of Decision.

16 (4) CONGRESSIONAL AUTHORIZING COMMIT-
17 TEES.—The term “congressional authorizing com-
18 mittees” means the Committee on Energy and Nat-
19 ural Resources of the Senate and the Committee on
20 Resources of the House of Representatives.

21 (5) COMMISSIONER.—The term “commissioner”
22 means the Commissioner of the Bureau of Reclama-
23 tion.

24 (6) ENVIRONMENTAL WATER ACCOUNT.—The
25 term “Environmental Water Account” means the



1 water account established by the Federal agencies
2 and State agencies pursuant to the Record of Deci-
3 sion to reduce incidental take and provide a mecha-
4 nism for recovery of species.

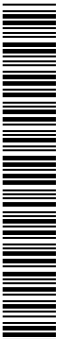
5 (7) FEDERAL AGENCIES.—The term “Federal
6 agencies” means the Federal agencies that are sig-
7 natories to Attachment 3 of the Record of Decision.

8 (8) GOVERNOR.—The term “Governor” means
9 the Governor of the State of California.

10 (9) IMPLEMENTATION MEMORANDUM.—The
11 term “Implementation Memorandum” means the
12 Calfed Bay-Delta Program Implementation Memo-
13 randum of Understanding dated August 28, 2000,
14 executed by the Federal agencies and the State
15 agencies, as such record of decision may be adapted
16 or modified by the Secretary in accordance with ap-
17 plicable law.

18 (10) RECLAMATION STATES.—The term “Rec-
19 lamation States” means the States of Arizona, Cali-
20 fornia, Colorado, Idaho, Kansas, Montana, Ne-
21 braska, Nevada, New Mexico, North Dakota, Okla-
22 homa, Oregon, South Dakota, Utah, Washington,
23 Wyoming, and Texas.

24 (11) RECORD OF DECISION.—The term
25 “Record of Decision” means the Federal pro-



1 grammatic Record of Decision dated August 28,
2 2000, issued by the Federal agencies and supported
3 by the State.

4 (12) SECRETARY.—The term “Secretary”
5 means the Secretary of the Interior.

6 (13) STATE.—The term “State” means the
7 State of California.

8 (14) STATE AGENCIES.—The term “State agen-
9 cies” means the California State agencies that are
10 signatories to Attachment 3 of the Record of Deci-
11 sion.

12 (15) WATER RESOURCE AGENCIES.—The term
13 “Water resource agencies” means the Federal agen-
14 cies that are signatories to Attachment 3 of the
15 Record of Decision.

16 (16) WATER SUPPLY.—The term “water sup-
17 ply” means a quantity of water that is developed or
18 derived from—

19 (A) increased water yield;

20 (B) recycling existing sources;

21 (C) desalination of seawater or brackish
22 water;

23 (D) surface or ground water storage;

24 (E) conservation; or



1 (F) other actions or water management
2 tools that improve the availability and reliability
3 of water supplies for beneficial uses in all water
4 year types, including critically dry years.

5 (17) WATER YIELD.—The term “water yield”
6 means a new quantity of water in storage that is re-
7 liably available in critically dry years for beneficial
8 uses.

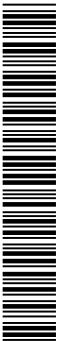
9 **SEC. 4. PURPOSES.**

10 The purposes of this Act are as follows:

11 (1) To enhance and improve water supply,
12 water yield, and water reliability coordinated
13 through the Secretary, in cooperation, and consulta-
14 tion with Water Resource Agencies.

15 (2) To foster and promote the development of
16 supplemental and new water supplies, coordinated
17 through the Secretary, in consultation and coordina-
18 tion with the Water Resource Agencies, through
19 water reuse and salinity management.

20 (3) To establish a competitive, performance-
21 based program, coordinated through the Secretary,
22 in consultation and coordination with the Water Re-
23 source Agencies, to provide financial incentives to
24 entities to develop demonstration projects designed



1 to treat seawater and brackish water, wastewater
2 and impaired ground water.

3 (4) To establish an office, in any Reclamation
4 State requesting such an office, for the use of all
5 Federal and State agencies that will be involved in
6 issuing permits and conducting environmental re-
7 views for water supply, water supply capital im-
8 provement projects, levee maintenance, and delivery
9 systems in any Reclamation State requesting such
10 an office.

11 (5) To provide assistance to States, municipali-
12 ties, other local governmental agencies (including
13 soil and water conservation districts) and investor-
14 owned utilities that provide municipal water supply
15 service pursuant to State law in the design and con-
16 struction of projects to desalinate seawater and put
17 to beneficial use impaired ground water and brack-
18 ish water.

19 (6) To implement and abide by the 4 primary
20 objectives and solution principles set forth in the
21 CALFED Bay-Delta Program. To authorize funding
22 and coordinate sustained funding sources, through
23 the Secretary, for the implementation of a com-
24 prehensive program to achieve increased water yield
25 and water supply, improved water quality, and en-



1 hanced environmental benefits as well as improved
2 water system reliability, water use efficiency, water-
3 shed management, water transfers, and levee protec-
4 tion.

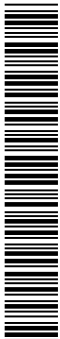
5 (7) To implement other related provisions to
6 improve water supply and yield.

7 **TITLE I—DEPARTMENT OF INTE-**
8 **RIOR, COMPETITIVE GRANT**
9 **PROGRAM**

10 **SEC. 101. GENERAL AUTHORITY.**

11 (a) ESTABLISHMENT OF A WATER RESOURCES Co-
12 ORDINATION OFFICE.—There shall be established within
13 the Office of the Secretary the Office of the Federal Water
14 Resources Coordinator (referred to in this title as the “Co-
15 ordinator”) who shall be responsible for coordinating the
16 Water Resource Agencies activities addressing water de-
17 salination (including sea and brackish water), impaired
18 ground water, brine removal, and water reuse projects and
19 activities authorized under this title.

20 (b) SECRETARIAL RESPONSIBILITY.—The Secretary,
21 through the Coordinator, shall carry out the responsibil-
22 ities, as specifically identified as a responsibility of the Co-
23 ordinator under this title, and may not delegate these re-
24 sponsibilities to the Water Resource Agencies. The Coordi-



1 nator at its sole option may use the services of the Water
2 Resource Agencies on any project deemed necessary.

3 (c) ASSESSMENT OF EXISTING FEDERAL AUTHORI-
4 TIES.—The Secretary, through the Coordinator and in
5 consultation with the Water Resource agencies, shall de-
6 velop and transmit to Congress no later than 60 days after
7 enactment of this Act, an assessment report that identifies
8 the following:

9 (1) A list of authorities, including mandatory
10 and discretionary trust funds, other than those
11 under this title, to undertake activities under section
12 102.

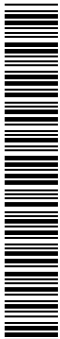
13 (2) A list of all Water Resource Agencies ex-
14 penditures since fiscal year 1998 undertaken for
15 projects and activities related to this title.

16 (3) A plan of Water Resource Agencies coordi-
17 nation to meet the criteria, and guidelines as deter-
18 mined under this title.

19 (4) A detailed/coordinated Water Resource
20 Agencies budget review document, including out-
21 years funding requirements.

22 (5) Recommendations for alternative financing
23 mechanisms.

24 (e) ESTABLISHMENT OF GUIDELINES FOR ACTIVI-
25 TIES UNDERTAKEN BY THE COORDINATOR.—



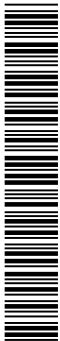
1 (1) RULES AND GUIDELINES.—In carrying out
2 activities under this title the Secretary, acting
3 through the Coordinator, in coordination with the
4 Water Resource Agencies, shall issue rules and
5 guidelines for the submission of selection, solicita-
6 tion, and timelines of eligible projects and activities
7 seeking grants assistance to analyze, plan, develop
8 and construct, including but not limited to, the fol-
9 lowing:

10 (A) Sea and brackish water desalination
11 projects, including analysis and technology de-
12 velopment, reclamation of wastewater, and im-
13 paired ground and surface waters.

14 (B) Brine management and disposal, in-
15 cluding analysis and technology development.
16 Such analysis shall include, but not be limited
17 to, the effects of concentrate disposal and pos-
18 sible mitigation measures.

19 (C) Water reuse, including, but not limited
20 to, techniques for cleanup and treatment of
21 ground water contamination, especially ground
22 water basins that are the primary source of
23 drinking water supplies.

24 (2) EQUITABLE SELECTION.—The Secretary
25 shall ensure the rules and guidelines provide for the



1 equitable selection, to the maximum extent prac-
2 ticable, of projects and distribution of grants among
3 the eligible activities identified under this section.

4 (3) TIMEFRAME.—Such rules and guidelines
5 shall be issued not later than 90 days after the date
6 of the enactment of this Act.

7 (f) AGENCY PARTICIPATION.—The Coordinator, in
8 consultation with the Water Resource Agencies, shall—

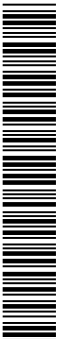
9 (1) determine available and appropriate ac-
10 counts, both mandatory and permanent, including
11 Federal trust funds; and

12 (2) direct the Federal agency heads to spend
13 authorized funds, if available within their agency,
14 based on their proportional Federal interest.

15 **SEC. 102. AUTHORITY TO STUDY, PLAN, DESIGN, AND CON-**
16 **STRUCT.**

17 (a) IN GENERAL.—The Secretary, through the Coor-
18 dinator, in cooperation and consultation with the Water
19 Resource Agencies, shall undertake a competitive grant
20 program—

21 (1) to investigate and identify opportunities for
22 the study, plan, and design of activities under this
23 title; and



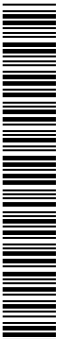
1 (2) to construct demonstration and permanent
2 facilities, or the implementation of other programs
3 and activities, to meet the criteria under this title.

4 (b) CONDITIONS.—No grant may be made under this
5 title for the design and construction of any project until
6 after—

7 (1) an appraisal investigation and a feasibility
8 study (which may be performed, if applicable, by the
9 non-Federal sponsor and submitted to the Secretary,
10 through the Coordinator, for review) have been com-
11 pleted and approved by the Secretary, through the
12 Coordinator;

13 (2) the Secretary, through the Coordinator, has
14 determined that, if applicable, the non-Federal
15 project sponsor has the financial resources available
16 to fund the non-Federal share of the project's costs;
17 and

18 (3) the Secretary, through the Coordinator, has
19 approved, if applicable, a cost-sharing agreement
20 with the non-Federal project sponsor that commits
21 the non-Federal project sponsor to funding its share
22 of the project's construction costs on an annual
23 basis, and ongoing operations and maintenance.



1 **SEC. 103. CRITERIA FOR GRANTS.**

2 In making grants pursuant to this title, the Sec-
3 retary, acting through the Coordinator shall give priority
4 to those projects which meet at least one of the following
5 criteria:

6 (1) The requirements of the Secretary, as appli-
7 cable, and any applicable State requirements.

8 (2) Is agreed to by the Federal and non-Fed-
9 eral entities with authority and responsibility for the
10 project.

11 (3) Increase water supply yield.

12 (4) Improve water use efficiency and water con-
13 servation.

14 (5) Reduce or stabilize demand on existing Fed-
15 eral and State water supply facilities.

16 (6) Improve water quality.

17 (7) Employ innovative approaches, including
18 but not limited to, ground water recharge.

19 (8) Facilitate the transfer and adoption of tech-
20 nology.

21 (9) Employ regional solutions that increase the
22 availability of locally and regionally developed water
23 supplies.

24 (10) Remediate a contaminated ground water
25 basin.



1 (11) Provide a secure source of new water sup-
2 plies for national defense activities.

3 (12) Reduce the threat of a water supply dis-
4 ruption as a result of a natural disaster or acts of
5 terrorism.

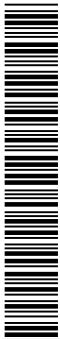
6 (13) Help Water Resource Agencies meet exist-
7 ing legal requirements, contractual water supply ob-
8 ligations, Indian trust responsibilities, water rights
9 settlements, water quality control plans and depart-
10 ment of health requirements, Federal and State en-
11 vironmental laws, the Federal Water Pollution Con-
12 trol Act, or other obligations.

13 (14) Promote and applies a regional or water-
14 shed approach to water resource management or
15 cross-boundary issues, implements an integrated re-
16 sources management approach, increases water man-
17 agement flexibility, or forms a partnership with
18 other entities.

19 (15) Improve health and safety of the general
20 public.

21 (16) Provide benefits outside the region in
22 which the project occurs.

23 (17) Provide benefits to the agricultural com-
24 munity.



1 **SEC. 104. ANNUAL REPORT.**

2 The Secretary shall provide the Congress an annual
3 report that includes the following:

4 (1) A list of projects, and project details,
5 amount of past, current, and projected funding.

6 (2) Documentation of the accounts within the
7 Water Resource Agencies funding.

8 (3) The benefits gained by projects, and to
9 which beneficiaries and users, funded under this
10 title.

11 (5) An assessment of how the project met each
12 of the evaluation criteria under this title.

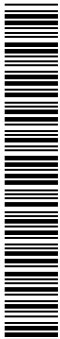
13 **SEC. 105. AUTHORIZATION OF APPROPRIATIONS.**

14 (a) ACTIVITIES AND PROJECTS UNDER THIS
15 TITLE.—

16 (1) DETERMINATION OF WATER RESOURCES
17 AGENCY PARTICIPATION.—If existing authorities are
18 not available to carry out activities addressed under
19 this title, the Coordinator, in consultation with the
20 Water Resource agencies, shall make the determina-
21 tion of Federal participation and Federal agency
22 cost share.

23 (2) FUNDING.—Subject to section 105(a)(1)
24 and section 105(b), there are authorized to be
25 appropriated—

26 (A) \$50,000,000 for fiscal year 2004; and



1 (B) \$100,000,000 for each fiscal year
2 thereafter.

3 (b) LIMITATIONS ON GRANTS.—

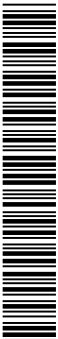
4 (1) LOCATION OF PROJECT.—Grants carried
5 out by the Secretary, through the Coordinator, may
6 be carried out through the 50 States.

7 (2) PER STATE LIMIT.—Except as provided in
8 under this section, of the amount available in a fis-
9 cal year for grants under this title, not more than
10 30 percent may be used for projects in a single
11 State.

12 (c) COST SHARING.—Except as provided under this
13 section, and notwithstanding any other provision of this
14 title. Grants for projects receiving Federal assistance
15 under this title shall not exceed the lesser of \$50,000,000
16 (indexed annually for inflation) or 35 percent of the total
17 cost of the project.

18 **SEC. 106. LIMITATION ON ELIGIBILITY FOR FUNDING.**

19 A project that receives funds under this Act shall be
20 ineligible to receive Federal funds from any other source
21 for the same purpose unless such funds are provided to
22 ensure compliance with a Federal mandate.



1 **TITLE II—CALIFORNIA WATER**
2 **SECURITY AND ENVIRON-**
3 **MENTAL ENHANCEMENT ACT**

4 **SEC. 201. CALFED BAY-DELTA PROGRAM.**

5 (a) FINDINGS.—Congress finds as follows:

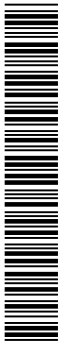
6 (1) The mission of the CALFED Bay-Delta
7 Program is to develop and implement a long-term
8 comprehensive plan that will increase water supply
9 and yield, improve water management, and restore
10 the ecological health of the Bay-Delta solution area.

11 (2) The CALFED Bay-Delta Program was de-
12 veloped as a joint Federal-State program to deal ef-
13 fectively with the multijurisdictional issues involved
14 in managing the Bay-Delta Watershed.

15 (b) IN GENERAL.—

16 (1) AUTHORIZATION.—The Federal agencies, in
17 consultation with State agencies, are authorized to
18 participate in the CALFED Bay-Delta Program, in
19 accordance with this title, and consistent with the
20 Objectives and Solution Principles set forth in the
21 Record of Decision.

22 (2) GOALS.—The goals of the CALFED Bay-
23 Delta Program shall consist of components that in-
24 clude water supply and yield, ecosystem restoration,
25 water supply reliability, conveyance, water use effi-



1 ciency, water quality, water transfers, watersheds,
2 Environmental Water Account, levee stability, and
3 science.

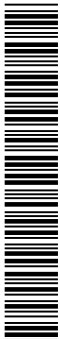
4 (3) BALANCE.—CALFED Bay-Delta Program
5 activities consisting of protecting water quality, in-
6 cluding but not limited to, drinking water quality,
7 restoring ecological health, improving water supply
8 reliability, including additional water supply and
9 water yield and conveyance, and protecting levees in
10 the Bay-Delta watershed, shall progress in a bal-
11 anced manner.

12 (c) ADMINISTRATION OF ACTIVITIES.—

13 (1) IN GENERAL.—The Secretary and the heads
14 of the Federal agencies are authorized to carry out
15 the activities described in this title, subject to the
16 cost-share and other provisions of this title, if the
17 activity—

18 (A) has been subject to environmental re-
19 view and approval as required under applicable
20 Federal and State law; and

21 (B) has been approved and certified by the
22 Secretary to be consistent with the Objectives
23 and Solution Principles of the CALFED Bay-
24 Delta Program as stated in Record of Decision.



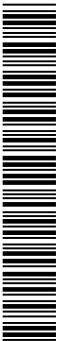
1 (2) MULTIPLE BENEFIT PROJECTS FAVORED.—

2 The Secretary and Federal agencies are authorized
3 to carry out the activities set forth in this title. In
4 selecting projects and programs for increasing water
5 yield and water supply, improving water quality, and
6 enhancing environmental benefits, projects and pro-
7 grams with multiple benefits shall be emphasized.

8 (3) ELEMENTS REGULATED.—To the extent
9 that CALFED Bay-Delta Program projects and ele-
10 ments are subject to regulation under section 404 of
11 the Clean Water Act, the United States Army Corps
12 of Engineers and the United States Environmental
13 Protection Agency shall not consider, as alternatives
14 to projects that are elements of the overall
15 CALFED Bay-Delta Program, programs, projects,
16 or actions beyond those described in the Record of
17 Decision, nor shall they favor one CALFED Bay-
18 Delta Program project or element over another.

19 (4) BALANCE.—The Secretary shall ensure that
20 all elements of the CALFED Bay-Delta Program
21 need to be completed and operated cooperatively to
22 maintain the balanced progress in all CALFED
23 Bay-Delta Program areas.

24 (d) PROGRAM ACTIVITIES.—



1 (1) WATER STORAGE.—Except as provided by
2 section 207(b), the amounts authorized to be appro-
3 priated for fiscal years 2004 through 2007 under
4 this Act, no more than \$102,000,000 may be ex-
5 pended for the following:

6 (A) WATER STORAGE SUPPLY AND
7 YIELD.—For purposes of implementing the
8 CALFED Bay-Delta Program, the Secretary is
9 authorized to undertake all necessary planning
10 activities and feasibility studies required for the
11 development of recommendations by the Sec-
12 retary to Congress on the construction and im-
13 plementation of specific water supply and yield,
14 ground water management, and ground water
15 storage projects and implementation of com-
16 prehensive water management planning. The re-
17 quirements of section 9(a) of the Act of August
18 4, 1939 (43 U.S.C. 485h(a); 53 Stat. 1193)
19 shall be deemed to be met through the perform-
20 ance of a feasibility study as authorized within
21 this section as well as those feasibility studies
22 authorized under the Consolidated Appropria-
23 tions Resolution Fiscal Year 2003, P.L. 108–7,
24 House Report 108–10, Division D, Title II,
25 Section 215.



1 (B) FEASIBILITY STUDIES.—All feasibility
2 studies completed for storage projects as a re-
3 sult of this section shall include identification of
4 project benefits and beneficiaries and a cost al-
5 location plan consistent with the benefits to be
6 received, for both governmental and non-gov-
7 ernmental entities.

8 (C) DISAPPROVAL RESOLUTION.—If the
9 Secretary determines a project to be feasible,
10 and meets the requirements under subpara-
11 graph (B), the report shall be submitted to
12 Congress. If Congress does not pass a dis-
13 approval resolution of the feasibility study dur-
14 ing the first 120 days before Congress (not in-
15 cluding days on which either the House of Rep-
16 resentative or the Senate is not in session be-
17 cause of an adjournment or more than three
18 calendar days to a day certain) the project shall
19 be authorized, subject to appropriations.

20 (D) WATER SUPPLY AND WATER YIELD
21 STUDY.—(i) The Secretary, acting through the
22 Bureau of Reclamation and in consultation with
23 the State, shall conduct a study of available
24 water supplies and water yield and existing de-
25 mand and future needs for water—



1 (I) within the units of the Central
2 Valley Project;

3 (II) within the area served by Central
4 Valley Project agricultural water service
5 contractors and municipal and industrial
6 water service contractors; and

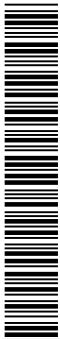
7 (III) within the Bay-Delta solution
8 area.

9 (ii) RELATIONSHIP TO PRIOR STUDY.—The
10 study under clause (i) shall incorporate and re-
11 vise as necessary the study required by section
12 3408(j) of the Central Valley Project Improve-
13 ment Act of 1992 (Public Law 102–575).

14 (E) REPORT.—The Secretary shall submit
15 a report to the congressional authorizing com-
16 mittees by not later than 180 days after the
17 date of the enactment of this title describing
18 the following:

19 (i) Water yield and water supply im-
20 provements, if any, for Central Valley
21 Project agricultural water service contrac-
22 tors and municipal and industrial water
23 service contractors.

24 (ii) All water management actions or
25 projects that would improve water yield or



1 water supply and that, if taken or con-
2 structed, would balance available water
3 supplies and existing demand for those
4 contractors and other water users of the
5 Bay-Delta watershed with due recognition
6 of water right priorities and environmental
7 needs.

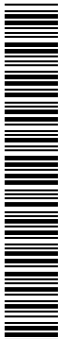
8 (iii) The financial costs of the actions
9 and projects described under clause (ii).

10 (iv) The beneficiaries of those actions
11 and projects and an assessment of their
12 willingness to pay the capital costs and op-
13 eration and maintenance costs thereof.

14 (F) OTHER ACTIVITIES.—Studying, devel-
15 oping and implementing ground water manage-
16 ment and ground water storage projects (not to
17 exceed \$50,000,000); and

18 (G) PLANNING.—Comprehensive water
19 management planning (not to exceed
20 \$6,000,000).

21 (2) CONVEYANCE.—Except as provided by sec-
22 tion 207(b), the amounts authorized to be appro-
23 priated for fiscal years 2004 through 2007 under
24 this Act, no more than \$77,000,000 may be ex-
25 pended for the following:



1 (A) South Delta Actions (not to exceed
2 \$45,000,000):

3 (i) South Delta Improvements Pro-
4 gram for the following:

5 (I) To increase the State Water
6 Project export limit to 8500 cfs, sub-
7 ject to subclause (VI).

8 (II) To install permanent, oper-
9 able barriers in the south Delta. The
10 Federal Agencies shall cooperate with
11 the State to accelerate installation of
12 the permanent, operable barriers in
13 the south Delta, with the intent to
14 complete that installation not later
15 than the end of fiscal year 2006.

16 (III) To design and construct
17 fish screens and intake facilities at
18 Clifton Court Forebay and the Tracy
19 Pumping Plant facilities.

20 (IV) To increase the State Water
21 Project export to the maximum capa-
22 bility of 10,300 cfs.

23 (ii) Reduction of agricultural drainage
24 in south Delta channels and other actions
25 necessary to minimize impacts of such



1 drainage on water quality, including but
2 not limited to, design and construction of
3 the relocation of drinking water intake fa-
4 cilities to delta water users. The Secretary
5 shall coordinate actions for relocating in-
6 take facilities on a time schedule consistent
7 with subclause (i)(II).

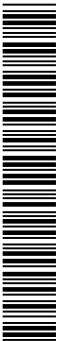
8 (iii) Design and construction of lower
9 San Joaquin Riverfloodway improvements.

10 (iv) Installation and operation of tem-
11 porary barriers in the south Delta until
12 fully operable barriers are constructed.

13 (v) Actions to protect navigation and
14 local diversions not adequately protected by
15 the temporary barriers.

16 (vi) Actions to increase pumping shall
17 be accomplished in a manner consistent
18 with California law protecting:

19 (I) deliveries to, costs of, and
20 water suppliers and water users, in-
21 cluding but not limited to, agricultural
22 users, that have historically relied on
23 water diverted from the Delta; and



1 (II) the quality of water for exist-
2 ing municipal, industrial, and agricul-
3 tural uses.

4 (vi) Actions at Franks Tract to im-
5 prove water quality in the Delta.

6 (B) North Delta Actions (not to exceed
7 \$12,000,000):

8 (i) Evaluation and implementation of
9 improved operational procedures for the
10 Delta Cross Channel to address fishery
11 and water quality concerns.

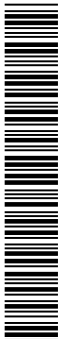
12 (ii) Evaluation of a screened through-
13 Delta facility on the Sacramento River.

14 (iii) Design and construction of lower
15 Mokelumne River floodway improvements.

16 (C) Interties (not to exceed \$10,000,000):

17 (i) Evaluation and construction of an
18 intertie between the State Water Project
19 and the Central Valley Project facilities at
20 or near the City of Tracy.

21 (ii) assessment of the connection of
22 the Central Valley Project to the State
23 Water Project's Clifton Court Forebay
24 with a corresponding increase in the
25 Forebay's screened intake.



1 (D) Evaluation and implementation of the
2 San Luis Reservoir lowpoint improvement
3 project (not to exceed \$10,000,000).

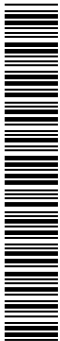
4 (3) WATER USE EFFICIENCY.—Of the amounts
5 authorized to be appropriated for fiscal years 2004
6 through 2007 under this Act, no more than
7 \$153,000,000 may be expended for the following:

8 (A) Water conservation projects that pro-
9 vide water supply reliability, water quality, and
10 ecosystem benefits to the Bay-Delta solution
11 area(not to exceed \$61,000,000).

12 (B) Technical assistance for urban and ag-
13 ricultural water conservation projects (not to
14 exceed \$5,000,000).

15 (C) Water recycling and desalination
16 projects, including but not limited to projects
17 identified in the Bay Area Water Recycling
18 Plan and the Southern California Comprehen-
19 sive Water Reclamation and Reuse Study (not
20 to exceed \$84,000,000), as follows:

21 (i) In providing financial assistance
22 under this clause, the Secretary shall give
23 priority consideration to projects that in-
24 clude regional solutions to benefit regional
25 water supply and reliability needs.



1 (ii) The Secretary shall review any
2 feasibility level studies for seawater desali-
3 nation and regional brine line projects that
4 have been completed, whether or not those
5 studies were prepared with financial assist-
6 ance from the Secretary.

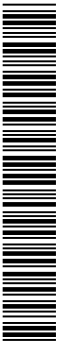
7 (iii) The Secretary shall report to the
8 Congress within 90 days after the comple-
9 tion of a feasibility study or the review of
10 a feasibility study for the purposes of pro-
11 viding design and construction assistance
12 for the construction of desalination and re-
13 gional brine line projects.

14 (iv) The Federal share of the cost of
15 any activity carried out with assistance
16 under this clause may not exceed the lesser
17 of 35 percent of the total cost of the activ-
18 ity or \$50,000,000.

19 (D) Water measurement and transfer ac-
20 tions (not to exceed \$1,500,000).

21 (E) Certification of implementation of best
22 management practices for urban water con-
23 servation (not to exceed \$1,500,000).

24 (4) WATER TRANSFERS.—Of the amounts au-
25 thorized to be appropriated for fiscal years 2004



1 through 2007 under this Act, no more than
2 \$3,000,000 may be expended for the following:

3 (A) Increasing the availability of existing
4 facilities for water transfers.

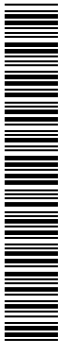
5 (B) Lowering transaction costs through
6 permit streamlining.

7 (C) maintaining a water transfer informa-
8 tion clearinghouse.

9 (5) ENVIRONMENTAL WATER ACCOUNT.—Of
10 the amounts authorized to be appropriated for fiscal
11 years 2004 through 2007 under this Act, no more
12 than \$75,000,000 may be expended for implementa-
13 tion of the Environmental Water Account.

14 (6) INTEGRATED REGIONAL WATER MANAGE-
15 MENT PLANS.—Of the amounts authorized to be ap-
16 propriated for fiscal years 2004 through 2007 under
17 this Act, no more than \$95,000,000 may be ex-
18 pended for the following:

19 (A) Establishing a competitive grants pro-
20 gram to assist local and regional communities
21 in California in developing and implementing
22 integrated regional water management plans to
23 carry out the Objectives and Solution Principles
24 of the CALFED Bay-Delta Program as stated
25 in of the Record of Decision.



1 (B) Implementation of projects and pro-
2 grams in California that improve water supply
3 reliability, water quality, ecosystem restoration,
4 and flood protection, or meet other local and re-
5 gional needs, that are consistent with, and
6 make a significant contribution to, Stage 1 of
7 the CALFED Bay-Delta Program.

8 (7) ECOSYSTEM RESTORATION.—(A) Of the
9 amounts authorized to be appropriated for fiscal
10 years 2004 through 2007 under this title, no more
11 than \$100,000,000 may be expended for projects
12 under this subsection.

13 (B) The Secretary is authorized to undertake
14 the following projects under this paragraph:

15 (i) Restoration of habitat in the San Fran-
16 cisco Bay-Delta watershed, San Pablo Bay, and
17 Suisun Bay and Marsh, including tidal wetlands
18 and riparian habitat.

19 (ii) Fish screen and fish passage improve-
20 ment projects.

21 (iii) Implementation of an invasive species
22 program, including prevention, control, and
23 eradication.

24 (iv) Development and integration of State
25 and Federal agricultural programs that benefit



1 wildlife into the Ecosystem Restoration Pro-
2 gram.

3 (v) Financial and technical support for lo-
4 cally-based collaborative programs to restore
5 habitat while addressing the concerns of local
6 communities.

7 (vi) Water quality improvement projects to
8 manage salinity, selenium, mercury, pesticides,
9 trace metals, dissolved oxygen, turbidity, sedi-
10 ment, and other pollutants.

11 (vii) Land and water acquisitions to im-
12 prove habitat and fish spawning and survival in
13 the Bay-Delta watershed.

14 (viii) Integrated flood management and
15 levee protection projects for improving eco-
16 system restoration.

17 (ix) Scientific evaluations and targeted re-
18 search on program activities, including appro-
19 priate use of adaptive management concepts.

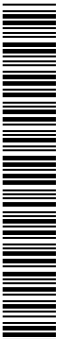
20 (x) Preparation of management plans for
21 all properties acquired, and update current
22 management plans, prior to the purchase or any
23 contribution to the purchase of any interest in
24 land for ecosystem.



1 (xi) Strategic planning and tracking of
2 program performance using established proto-
3 cols and/or bio-indicators.

4 (C) Project Initiation Report for each project,
5 describing project purpose, objective, and cost, shall
6 be transmitted to Congress following Secretarial cer-
7 tification, 30 days (not including days on which ei-
8 ther the House of Representatives or the Senate is
9 not in session because of an adjournment of more
10 than three calendar days to a day certain) prior to
11 implementing ecosystem restoration actions as de-
12 scribed under this paragraph. Such reports shall be
13 required for all ecosystem projects, (including com-
14 prehensive projects that are composed of several
15 components and are to be completed by staged im-
16 plementation) exceeding \$20,000 in Federal funds.
17 Annual ecosystem restoration project summary re-
18 ports shall be submitted to Congress through the
19 Secretary highlighting progress of the project imple-
20 mentation. The reports required to be submitted
21 under this paragraph shall consider the following on
22 each project:

23 (i) A description of ecological monitoring
24 data to be collected for the restoration projects
25 and how the data are to be integrated, stream-



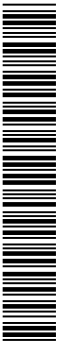
1 lined, compatible, and designed to measure
2 overall trends of ecosystem health in the Bay-
3 Delta watershed.

4 (ii) Whether the restoration project has in-
5 tegrated monitoring plans and descriptions of
6 protocols, or bio-indicators, to be used for gaug-
7 ing cost-effective performance of the project.

8 (iii) Whether the proposed project is a part
9 of a larger, more comprehensive restoration
10 project in a particular part of the solution area,
11 and if so, how the proposed project contributes
12 to the larger project.

13 (iv) A secretarial determination, or strat-
14 egy, that utilizes existing Federal land, State
15 land, or other land acquired for ecosystem res-
16 toration, with amounts provided by the United
17 States or the State, to the extent that such
18 lands are available within the CALFED solu-
19 tion area.

20 (v) A determination of the potential cumu-
21 lative impacts, or induced damages of fee title,
22 easement, and/or lease acquisition of land on
23 local and regional economies, and adjacent land
24 and landowners; and a description of how such
25 impacts will be mitigated.



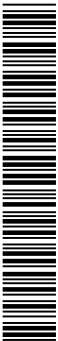
1 (vi) A description of actions that will be
2 taken to mitigate any induced damages from
3 the conversion of agriculture land including the
4 degree to which wildlife and habitat values will
5 increase due to the land conversion.

6 (D) Conditions, if applicable, for projects and
7 activities under this paragraph are as follows:

8 (i) A requirement that before obligating or
9 expending Federal funds to acquire land, the
10 Secretary shall first determine that existing
11 Federal land, State land, or other land acquired
12 for ecosystem restoration with amounts pro-
13 vided by the United States or the State, to the
14 extent such lands are available, is not available
15 for that purpose. If no public land is available
16 the Secretary, prior to any federal expenditure
17 for private land acquisition, shall—

18 (I) make an accounting of all habitat
19 types located on publicly owned land
20 throughout the solution area;

21 (II) not convert prime farm land and
22 unique farm land, to the maximum extent
23 as practicable, as identified by local, State,
24 or Federal land use inventories, including



1 the Natural Resources Conservation Serv-
2 ice;

3 (III) not conflict with existing zoning
4 for agriculture use; and

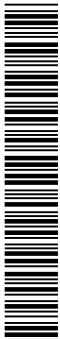
5 (IV) not involve other changes in ex-
6 isting environment due to location and na-
7 ture of converting farmland to non-farm-
8 land use.

9 (ii) A requirement that in determining
10 whether to acquire private land for ecosystem
11 restoration, the Secretary shall—

12 (I) conduct appropriate analysis, in-
13 cluding cost valuation to assure that pri-
14 vate land acquisitions prioritize easements
15 and leases over acquisition by fee title un-
16 less easements and leases are unavailable
17 or unsuitable for the stated purposes;

18 (II) consider the potential cumulative
19 impacts on the local and regional econo-
20 mies of transferring the property into gov-
21 ernment ownership; and

22 (aa) describe the actions that will
23 be taken, to the maximum extent
24 practicable, to mitigate any induced
25 damages; and



1 (bb) determine that the land ac-
2 quired will add increasing value to the
3 purposes of ecosystem restoration;

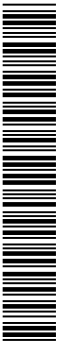
4 (III) mitigate any potential induced
5 damage, to the maximum extent prac-
6 ticable, of any conversion of agriculture
7 land for ecosystem restoration due to the
8 implementation of the CALFED Bay-Delta
9 Program;

10 (IV) partner with landowners and
11 local agencies to develop cooperating land-
12 owner commitments that are likely to meet
13 coequal objectives of achieving local eco-
14 nomic and social goals and implementing
15 the ecosystem restoration goals.

16 (8) WATERSHEDS.—Of the amounts authorized
17 to be appropriated for fiscal years 2004 through
18 2007 under this Act, no more than \$50,000,000
19 may be expended for the following:

20 (A) Building local capacity to assess and
21 manage watersheds affecting the Bay-Delta so-
22 lution area.

23 (B) Technical assistance for watershed as-
24 sessments and management plans.



1 (C) Developing and implementing locally-
2 based watershed conservation, maintenance,
3 and restoration actions.

4 (9) WATER QUALITY.—Of the amounts author-
5 ized to be appropriated for fiscal years 2004 through
6 2007 under this Act, no more than \$50,000,000
7 may be expended for the following:

8 (A) Addressing drainage problems in the
9 San Joaquin Valley to improve downstream
10 water quality, including habitat restoration
11 projects that reduce drainage and improve
12 water quality, provided that—

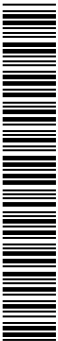
13 (i) a plan is in place for monitoring
14 downstream water quality improvements;

15 (ii) State and local agencies are con-
16 sulted on the activities to be funded; and

17 (iii) this clause is not intended to cre-
18 ate any right, benefit, or privilege;

19 (B) Implementing source control programs
20 in the Bay-Delta watershed.

21 (C) Developing recommendations through
22 technical panels and advisory council processes
23 to meet the CALFED Bay-Delta Program goal
24 of continuous improvement in water quality for
25 all uses.



1 (D) Investing in treatment technology
2 demonstration projects.

3 (E) Controlling runoff into the California
4 aqueduct and other similar conveyances.

5 (F) Addressing water quality problems at
6 the North Bay Aqueduct.

7 (G) Studying recirculation of export water
8 to reduce salinity and improve dissolved oxygen
9 in the San Joaquin River.

10 (H) Projects that may meet the Objectives
11 and Solution Principles of the water quality
12 component of CALFED Bay-Delta Program.

13 (I) Development of water quality ex-
14 changes and other programs to make high qual-
15 ity water available to urban areas.

16 (J) Development and implementation of a
17 plan to meet all existing water quality stand-
18 ards for which the State and Federal water
19 projects have responsibility.

20 (10) LEVEE STABILITY.—Of the amounts au-
21 thorized to be appropriated for fiscal years 2004
22 through 2007 under this Act, no more than
23 \$70,000,000 may be expended for the following:



1 (A) Assisting local reclamation districts in
2 reconstructing Delta levees to a base level of
3 protection not to exceed \$20,000,000.

4 (B) Enhancing the stability of levees that
5 have particular importance in the system
6 through the Delta Levee Special Improvement
7 Projects program not to exceed \$20,000,000.

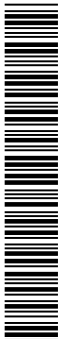
8 (C) Developing best management practices
9 to control and reverse land subsidence on is-
10 lands in the Bay-Delta watershed (not to exceed
11 \$1,000,000).

12 (D) Refining the Delta Emergency Man-
13 agement Plan (not to exceed \$1,000,000).

14 (E) Developing a Delta Risk Management
15 Strategy after assessing the consequences of
16 failure levees in the Bay-Delta watershed from
17 floods, seepage, subsidence, and earthquakes
18 (not to exceed \$500,000).

19 (F) Developing a strategy for reuse of
20 dredged materials on islands in the Bay-Delta
21 watershed (not to exceed \$1,500,000).

22 (G) Evaluating and, where appropriate, re-
23 habilitating the Suisun Marsh levees (not to ex-
24 ceed \$6,000,000).



1 (H) Integrated flood management, eco-
2 system restoration, and levee protection
3 projects, including design and construction of
4 lower San Joaquin River and lower Mokelumne
5 River floodway improvements and other projects
6 under the Sacramento-San Joaquin Comprehen-
7 sive Study (not to exceed \$20,000,000).

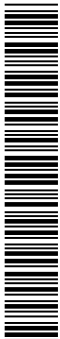
8 (11) MONITORING AND ANALYSIS.—Of the
9 amounts authorized to be appropriated for fiscal
10 years 2004 through 2007 under this Act, no more
11 than \$50,000,000 may be expended for the fol-
12 lowing:

13 (A) Establishing and maintaining an inde-
14 pendent technical board, technical panels, and
15 standing boards to provide oversight and peer
16 review of the CALFED Bay-Delta Program.

17 (B) Conducting expert evaluations and sci-
18 entific assessments of all CALFED Bay-Delta
19 Program elements.

20 (C) Coordinating existing monitoring and
21 scientific research programs.

22 (D) Developing and implementing adaptive
23 management experiments to test, refine, and
24 improve technical understandings.



1 (E) Establishing performance measures
2 and monitoring and valuating the performance
3 of all CALFED Bay-Delta Program elements.

4 (F) Preparing an annual science report.

5 (12) PROGRAM MANAGEMENT, OVERSIGHT, AND
6 COORDINATION.—Of the amounts authorized to be
7 appropriated for fiscal years 2004 through 2007
8 under this Act, no more than \$25,000,000 may be
9 expended by the Secretary, in cooperation with the
10 State, for the following:

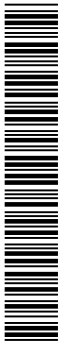
11 (A) CALFED Bay-Delta Program-wide
12 tracking of schedules, finances, and perform-
13 ance.

14 (B) Multi-agency oversight and coordina-
15 tion of CALFED Bay-Delta Program activities
16 to ensure program balance and integration.

17 (C) Development of interagency cross-cut
18 budgets and a comprehensive finance plan to al-
19 locate costs in accordance with the beneficiary
20 pays provisions of the Record of Decision.

21 (D) Coordination of public outreach and
22 involvement, including tribal, environmental jus-
23 tice, and public advisory activities under the
24 Federal Advisory Committee Act.

25 (E) Development of annual reports.



1 (13) DIVERSIFICATION OF WATER SUPPLIES.—

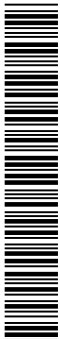
2 Of the amounts authorized to be appropriated for
3 fiscal years 2004 through 2007 under this Act, no
4 more than \$30,000,000 may be expended to diver-
5 sify sources of level 2 refuge supplies and modes of
6 delivery to refuges and to acquire additional water
7 for level 4 refuge supplies.

8 (e) AUTHORIZED ACTIONS.—The Secretary and the
9 Federal agency heads are authorized to carry out the ac-
10 tivities authorized by this title through the use of grants,
11 loans, contracts, and cooperative agreements with Federal
12 and non-Federal entities where the Secretary or Federal
13 agency head determines that the grant, loan, contract, or
14 cooperative agreement is likely to assist in implementing
15 the authorized activity in an efficient, timely, and cost-
16 effective manner.

17 **SEC. 202. MANAGEMENT.**

18 (a) COORDINATION.—In carrying out the CALFED
19 Bay-Delta Program, the Federal agencies shall coordinate,
20 to the maximum extent practicable, their activities with
21 the State agencies.

22 (b) PUBLIC PARTICIPATION.—In carrying out the
23 CALFED Bay-Delta Program, the Federal agencies shall
24 cooperate with local and tribal governments and the public
25 through a federally chartered advisory committee or other



1 appropriate means, to seek input on program elements
2 such as planning, design, technical assistance, and devel-
3 opment of peer review science programs.

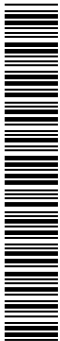
4 (c) OBJECTIVE REVIEW AND ANALYSIS.—In carrying
5 out the CALFED Bay-Delta Program, the Federal agen-
6 cies shall seek to ensure, to the maximum extent prac-
7 ticable, that—

8 (1) all major aspects of implementing the
9 CALFED Bay-Delta Program are subjected to cred-
10 ible and objective scientific review and economic
11 analysis; and

12 (2) major decisions are based upon the best
13 available scientific information.

14 (d) AGENCIES' DISCRETION.—This Act shall not af-
15 fect the discretion of any of the Federal agencies or the
16 State agencies or the authority granted to any of the Fed-
17 eral agencies or State agencies by any other Federal or
18 State law.

19 (e) STATUS REPORTS.—The Secretary shall report,
20 quarterly to the Congressional Committees, on the
21 progress in achieving the water supply targets as described
22 in Section 2.2.4 of the Record of Decision, the environ-
23 mental water account requirements as described in Section
24 2.2.7, and the water quality targets as described in Sec-
25 tion 2.2.9, and any pending actions that may affect the



1 ability of the CALFED Bay-Delta Program to achieve
2 those targets and requirements.

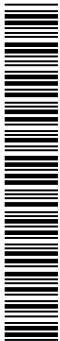
3 **SEC. 203. IMPLEMENTATION SCHEDULE REPORT.**

4 (a) The Secretary, in cooperation with the Governor,
5 shall submit a report of the CALFED Bay-Delta Program
6 not later than 90 days after the date of the enactment
7 of this Act and December 15 of each year thereafter to
8 the appropriate authorizing and appropriating Committees
9 of the Senate and the House of Representatives that de-
10 scribes the status and projected implementation schedule
11 of all components through fiscal year 2008 of the
12 CALFED Bay-Delta Program. The Report shall contain
13 the following:

14 (1) STATEMENT OF BALANCE.—The report
15 shall identify the progress in each of the categories
16 listed in paragraph (2). The Secretary, in coopera-
17 tion with the Governor, shall prepare and certify a
18 statement of whether the program is in balance tak-
19 ing into consideration the following:

20 (A) The status of all actions, including
21 goals, schedules, and financing agreements and
22 funding commitments.

23 (B) Progress on storage projects, including
24 yield, conveyance improvements, levee improve-



1 ments, water quality projects, and water use ef-
2 ficiency programs and reasons for any delays.

3 (C) Completion of key projects and mile-
4 stones identified in the Ecosystem Restoration
5 Program.

6 (D) Development and implementation of
7 local programs for watershed conservation and
8 restoration.

9 (E) Progress in improving water supply re-
10 liability and implementing the Environmental
11 Water Account.

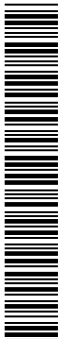
12 (F) Achievement of commitments under
13 State and Federal endangered species laws.

14 (G) Implementation of a comprehensive
15 science program.

16 (H) Progress toward acquisition of the
17 State and Federal permits, including permits
18 issued under section 404(a) of the Clean Water
19 Act, for implementation of projects in all identi-
20 fied program areas.

21 (I) Progress in achieving benefits in all ge-
22 ographic regions covered by the CALFED Bay-
23 Delta Program.

24 (J) Status of actions that compliment the
25 Record of Decision.



1 (K) Status of mitigation measures ad-
2 dressed under section 201(d)(7).

3 (L) Revisions to funding commitments and
4 CALFED Bay-Delta Program responsibilities.

5 (2) Accomplishments in the past fiscal year and
6 year-to-date in achieving the objectives of—

7 (A) additional and improved water storage;
8 including supply and yield;

9 (B) water quality;

10 (C) water use efficiency;

11 (D) ecosystem restoration;

12 (E) watershed management;

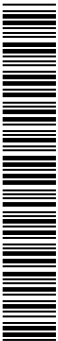
13 (F) levee system integrity;

14 (G) water transfers;

15 (H) water conveyance; and

16 (I) water supply reliability.

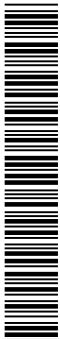
17 (3) REVISED SCHEDULE.—If the report and
18 statement of balance under subsection (a) concludes
19 that the CALFED Bay-Delta Program is not pro-
20 gressing in a balanced manner so that no certifi-
21 cation of balanced implementation can be made, the
22 Secretary, in consultation with the Governor, shall
23 prepare a revised schedule to ensure that the
24 CALFED Bay-Delta Program is likely to progress
25 in a balanced manner consistent with the objectives



1 and solution principles of the Record of Decision
2 and in consideration of subsections (a) and (b) of
3 this section. This revised schedule shall be subject to
4 approval by the Secretary, in consultation by the
5 Governor, and upon such approval shall be sub-
6 mitted to the appropriate authorizing and appro-
7 priating Committees of the Senate and the House of
8 Representatives.

9 (b) CROSSCUT BUDGET AND AUTHORIZATION OF AP-
10 PROPRIATIONS.—

11 (1) CROSSCUT BUDGET.—The President's
12 Budget shall include the appropriate departmental
13 and agency authorities, and request for the level of
14 funding for each of the Federal agencies to carry out
15 its responsibilities under the CALFED Bay-Delta
16 Program. Such funds shall be requested for the Fed-
17 eral agency with authority and programmatic re-
18 sponsibility for the obligation of such funds. No later
19 than 30 days after submission of the President's
20 Budget to the Congress, the Director of the Office
21 of Management and Budget shall submit to the ap-
22 propriate authorizing and appropriating committees
23 of the Senate and the House of Representatives an
24 updated interagency budget crosscut report, as re-
25 quired under Public Law 108–7.



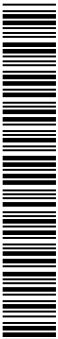
1 (2) FINANCIAL SUMMARY.—As part of the
2 crosscut budget submission, a financial report cer-
3 tified by the Secretary, and the Office of Manage-
4 ment and Budget, containing a detailed accounting
5 of current year, budget year and all funds received
6 and obligated by all Federal and State agencies re-
7 sponsible for implementing the CALFED Bay-Delta
8 Program in the previous fiscal year, a budget for the
9 proposed projects (including a description of the
10 project, authorization level, and project status) to be
11 carried out through fiscal year 2008 the Federal
12 portion of funds authorized under this title, and a
13 list of all projects to be undertaken in the upcoming
14 fiscal year with the Federal portion of funds author-
15 ized under this title.

16 **SEC. 204. AUTHORIZATION OF APPROPRIATIONS.**

17 There are authorized to be appropriated to the Sec-
18 retary and the heads of the Federal agencies
19 \$880,000,000 to pay the Federal share of programs and
20 activities under this title for fiscal years 2004 through
21 2007, in accordance with the provisions of this title. The
22 funds shall remain available without fiscal year limitation.

23 **SEC. 205. FEDERAL SHARE OF COSTS.**

24 (a) IN GENERAL.—The Federal share of the cost of
25 implementing of the CALFED Bay-Delta Program as set



1 forth in the Record of Decision shall not exceed 33.3 per-
2 cent.

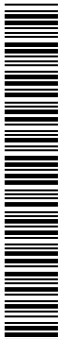
3 (b) CALFED BAY-DELTA PROGRAM BENE-
4 FICIARIES.—

5 (1) IN GENERAL.—The Secretary shall ensure
6 that all beneficiaries, including the environment,
7 shall pay for benefits received from all projects or
8 activities carried out under the CALFED Bay-Delta
9 Program. This requirement shall not be limited to
10 storage and conveyance projects and shall be imple-
11 mented so as to encourage integrated resource plan-
12 ning.

13 **SEC. 206. USE OF EXISTING AUTHORITIES AND FUNDS.**

14 (a) GENERALLY.—The heads of the Federal agencies
15 shall use the authority under the alternative Acts identi-
16 fied by the Secretary to carry out the purposes of this
17 title. Funds available under the alternative Acts shall be
18 used before other funds made available under this title for
19 the same activities.

20 (b) USE OF FUNDS.—In addition to funds authorized
21 and appropriated for section 201(d)(1) or section
22 201(d)(2), the Secretary, in consultation with the heads
23 of the Federal agencies, may use money appropriated for
24 any activity authorized under this title for any activity au-
25 thorized under section 201(d)(1) or section 201(d)(2) if



1 the Secretary, in consultation with the heads of the Fed-
2 eral agencies, determines that the funds appropriated for
3 the other activity cannot be used for that other activity.
4 This section shall be construed to apply to funds appro-
5 priated after the date of the enactment of this Act unless
6 the Act appropriating the funds specifically and explicitly
7 states that this section shall not apply to those funds.

8 (c) USE OF UNEXPENDED BUDGET AUTHORITY.—

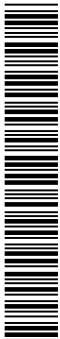
9 The Secretary is authorized to utilize all unexpended
10 budget authority under this title for any activity author-
11 ized under section 201(d)(1) or section 201(d)(2).

12 (d) REPORT.—Not later than 60 days after the date
13 of the enactment of this Act and annual thereafter, the
14 Secretary, in consultation with the heads of the Federal
15 agencies, shall transmit to Congress a report that de-
16 scribes the following:

17 (1) A list of all existing authorities, including
18 the authorities listed in subsection (a), under which
19 the Secretary or the heads of the Federal agencies
20 may carry out the purposes of this Act.

21 (2) A list funds authorized in the previous fiscal
22 year for the authorities listed under paragraph (1).

23 (3) A list of the projects carried out with the
24 funds listed in paragraph (2) and the amount of
25 funds obligated and expended for each project.



1 **SEC. 207. COMPLIANCE WITH STATE AND FEDERAL LAW.**

2 Nothing in this Act—

3 (1) invalidates or preempts State water law or
4 an interstate compact governing water;

5 (2) alters the rights of any State to any appro-
6 priated share of the waters of any body of surface
7 or ground water, whether determined by past or fu-
8 ture interstate compacts or final judicial allocations;

9 (3) preempts or modifies any State or Federal
10 law or interstate compact governing water quality or
11 disposal; or

12 (4) confers on any non-federal entity the ability
13 to exercise any Federal right to the waters of any
14 stream or to any ground water resource.

15 **TITLE III—SALTON SEA**

16 **SEC. 301. FUNDING TO ADDRESS SALTON SEA.**

17 There is authorized to be appropriated to the Sec-
18 retary \$300,000,000 for activities to address issues sur-
19 rounding the Salton Sea.

20 **TITLE IV—ESTABLISHMENT OF**
21 **CENTRALIZED REGULATORY**
22 **OFFICE**

23 **SEC. 401. ESTABLISHMENT OF OFFICE.**

24 The Secretary shall establish an office, in Sacramento
25 California, and may establish other offices in the capitol
26 of any Reclamation State requesting such an office, for

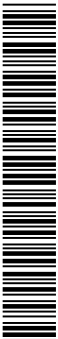


1 projects within their State, for the use of all Federal agen-
2 cies and State agencies that are likely to be involved in
3 issuing permits and conducting environmental reviews for
4 water supply, water supply capital improvement projects,
5 levee maintenance, and delivery systems in California or
6 any Reclamation State requesting such an office.

7 **SEC. 402. ACCEPTANCE AND EXPENDITURE OF CONTRIBU-**
8 **TIONS.**

9 (a) IN GENERAL.—The Secretary may accept and ex-
10 pend funds contributed by non-Federal public entities to
11 expedite the consideration of permits and the conducting
12 of environmental reviews for all projects described in sec-
13 tion 401 and to offset the Federal costs of processing such
14 permits and conducting such reviews. The Secretary shall
15 allocate funds received under this section among Federal
16 agencies in accordance with the costs such agencies incur
17 in processing such permits and conducting such reviews.
18 The allocated funds shall be for reimbursements of such
19 costs.

20 (b) PROTECTION OF IMPARTIAL DECISIONMAKING.—
21 In carrying out this section, the Secretary and the heads
22 Federal agencies receiving funds under this section shall
23 ensure that the use of the funds accepted under this sec-
24 tion will not impact impartial decisionmaking with respect
25 to the issuance of permits or conducting of environmental



1 reviews, either substantively or procedurally, or diminish,
2 modify, or otherwise affect the statutory or regulatory au-
3 thorities of such agencies.

4 **TITLE V—RURAL WATER SUPPLY** 5 **PROGRAM**

6 **SEC. 501. RURAL WATER SUPPLY PROGRAM.**

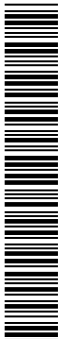
7 (a) IN GENERAL.—The Secretary is authorized to es-
8 tablish a program to plan, design, and construct rural
9 water systems in coordination with other Federal agencies
10 with rural water programs, and in cooperation with non-
11 Federal project entities.

12 (b) REQUIREMENTS.—Provisions to be included in
13 the establishment of a rural water system shall include
14 the following:

- 15 (1) Appraisal investigations.
- 16 (2) Feasibility studies.
- 17 (3) Environmental reports.
- 18 (4) Cost sharing responsibilities.
- 19 (5) Responsibility for operation and mainte-
20 nance.

- 21 (6) Prohibition for funding for irrigation.

22 (c) CRITERIA.—The Secretary is authorized to de-
23 velop criteria for determining which projects are eligible
24 for participation in the program established under this
25 section.



1 (d) REPORTS TO CONGRESS.—The Secretary shall
2 submit to Congress the program developed under this sec-
3 tion.

4 (e) RECLAMATION STATES.—The program estab-
5 lished by this section shall be limited to Reclamation
6 States.

